Implementation of BIFR proposals

4420. SHRI T. VENKATRAM REDDY: Will the Minister of FINANCE be pleased to state:

(a) whether Government propose to consider empowering BIFR to monitor the implementation of BIFR proposals themselves for reviving sick industries to obviate misuse of funds by promoters; and

(b) if not, the steps taken to monitor the implementation of BIFR proposals through promoters?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) Sub-section 12 of Section 18 of Sick Industrial Companies (Special Provisions) Act, 1985 as amended in February 1994, empowers the Board for Industrial and Financial Reconstruction (BIFR) to monitor implementation of sanctioned schemes.

(b) Does not arise.

Excise Duty on concrete building blocks

4421. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:

SHRIMATI VEENA VERMA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that while light weight (solid or hollow) concrete building blocks are exempt from levy of excise duty, the normal weight blocks, slabs, lintels and concrete beams and stairs that go into construction of prefabricated buildings are subject to excise duty ad-valorem;

(b) if so, what is the reason and rationale for such a distinction;

(c) what is the estimated annual earning by way of excise-duty levied on these items; and

(d) whether any representations for exempting the latter category of material used in prefab-buildings on the lines of the former category of items, from Chambers of Housing Industry or Federation of such industries or from Members of Parliament, if so, what decision has been taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKARA MURTHY): (a) and (b) Light weight (solid or hollow) concrete building blocks are exempt from excise duty. Though, normal weight blocks, slabs, lintels and concrete beams and stairs that go into the construction of prefabricated buildings attract 10 percent excise duty, the effective duty can be considered as nil since the duty paid on such items is available as Modvat credit to the manufacturers of prefabricated buildings. Further, such items are also exempt from excise duty when they are manufactured at the site of connection. Therefore, in reality here is parity of tax treatment for such light weight blocks and normal weight blocks etc., when they are either used for construction of dutiable prefabricated building or are manufactured at site. Light weight (solid or hollow) blocks were exempted in order to encourage the use of new materials in construction activities, which consume lesser cement.

(c) Information in respect of excise duty levied on normal weight blocks, slabs, lintels and concrete beams and stairs going into the construction of prefabricated buildings is not separately maintained. Information is available only for entire sub-heading No. 6807 which includes a large number of goods including these items. Total revenue realised from sub-heading No. 6807 for 1993-94 is provisionally placed at Rs. 129 crores.

(d) Government have received representations for exempting such items. It has not, however, been found possible to exempt such products from excise duty. For small